

LEGISLATIVE  
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96TH CONGRESS  
1ST SESSION

# H. R. 1614

To promote the foreign policy of the United States through the maintenance of commercial, cultural, and other relations with the people on Taiwan on an unofficial basis, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 29, 1979

Mr. ZABLOCKI (by request) introduced the following bill; which was referred to the Committee on International Relations

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## A BILL

To promote the foreign policy of the United States through the maintenance of commercial, cultural, and other relations with the people on Taiwan on an unofficial basis, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 TITLE I

4 SECTION 101. No requirement for maintenance of diplo-  
5 matic relations with the United States, or for recognition of a  
6 government by the United States, as a condition of eligibility  
7 for participation in programs, transactions, or other relations

I—E

1 authorized by or pursuant to United States law shall apply  
2 with respect to the people on Taiwan.

3 SEC. 102. Whenever any law, regulation, or order of  
4 the United States refers or relates to a foreign country,  
5 nation, state, government, or similar entity, such terms shall  
6 include, and such law, regulation, or order shall apply with  
7 respect to, the people on Taiwan.

8 SEC. 103. Whenever authorized or required by or pur-  
9 suant to United States law to conduct or carry out programs,  
10 transactions, or other relations with respect to a foreign  
11 country, nation, state, government, or similar entity, the  
12 President or any department or agency of the United States  
13 Government is authorized to conduct and carry out such pro-  
14 grams, transactions, and other relations with respect to the  
15 people on Taiwan, in accordance with applicable laws of the  
16 United States.

17 SEC. 104. Programs, transactions, and other relations  
18 conducted or carried out by the President or any department  
19 or agency of the United States Government with respect to  
20 the people on Taiwan shall, as the President may direct, be  
21 conducted and carried out by or through the American Insti-  
22 tute in Taiwan, a nonprofit corporation incorporated under  
23 the laws of the District of Columbia (hereinafter "the Insti-  
24 tute").

1        SEC. 105. Whenever the President or any department  
2 or agency of the United States Government is authorized or  
3 required by or pursuant to United States law to enter into,  
4 perform, enforce, or have in force an agreement or arrange-  
5 ment relative to the people on Taiwan, such agreement or  
6 arrangement shall be entered into, or performed and en-  
7 forced, as the President may direct, by or through the Insti-  
8 tute.

9        SEC. 106. Whenever the President or any department  
10 or agency of the United States Government is authorized or  
11 required by or pursuant to United States law to render or  
12 provide to, or to receive or accept from, the people on  
13 Taiwan any performance, communication, assurance, under-  
14 taking, or other action, such action shall, as the President  
15 may direct, be rendered or provided to, or received or accept-  
16 ed from, an instrumentality established by the people on  
17 Taiwan.

18        SEC. 107. Whenever the application of a rule of law of  
19 the United States depends upon foreign law, or compliance  
20 with foreign law, the law applied by the people on Taiwan  
21 shall be considered foreign law for that purpose.

22        **TITLE II**

23        SEC. 201. Any department or agency of the United  
24 States Government is authorized to sell, loan, or lease prop-  
25 erty, including interests therein, to, and to perform adminis-

1 trative and technical support functions and services for the  
2 operations of, the Institute upon such terms and conditions as  
3 the President may direct. Reimbursements to departments  
4 and agencies under this section shall be credited to the cur-  
5 rent applicable appropriation of the department or agency  
6 concerned.

7       SEC. 202. Any department or agency of the United  
8 States Government is authorized to acquire and accept serv-  
9 ices from the Institute upon such terms and conditions as the  
10 President may direct, without regard to the laws and regula-  
11 tions normally applicable to the acquisition of services by  
12 such department or agency.

13       SEC. 203. Any department or agency of the United  
14 States Government employing alien personnel in Taiwan is  
15 authorized to transfer such personnel, with accrued  
16 allowances, benefits, and rights, to the Institute without a  
17 break in service for purposes of retirement and other benefits,  
18 including continued participation in any system established  
19 by law or regulation for the retirement of employees, under  
20 which such personnel were covered prior to the transfer to  
21 the Institute: *Provided*, That employee deductions and em-  
22 ployer contributions, as required, in payment for such partici-  
23 pation for the period of employment with the Institute, are  
24 currently deposited in the system's fund or depository.

1        SEC. 204. (a) Under such terms and conditions as the  
2 President may direct, any department or agency of the  
3 United States Government is authorized to separate from  
4 Government service for a specified period any officer or em-  
5 ployee of that department or agency who accepts employ-  
6 ment with the Institute.

7        (b) An officer or employee separated under subsection  
8 (a) of this section shall be entitled upon termination of such  
9 employment with the Institute to reemployment or reinstate-  
10 ment with that department or agency or a successor agency  
11 in an appropriate position with attendant rights, privileges,  
12 and benefits which the officer or employee would have had or  
13 acquired had he or she not been so separated, subject to such  
14 time period and other conditions as the President may pre-  
15 scribe.

16        (c) An officer or employee entitled to reemployment or  
17 reinstatement rights under subsection (b) of this section shall,  
18 while continuously employed by the Institute with no break  
19 in continuity of service, continue to participate in any benefit  
20 program in which such officer or employee was covered prior  
21 to employment by the Institute, including programs for com-  
22 pensation for job-related death, injury, or illness; for health  
23 and life insurance; for annual, sick, and other statutory leave;  
24 and for retirement under any system established by law or  
25 regulation: *Provided*, That employee deductions and employ-

1 er contributions, as required, in payment for such participa-  
2 tion for the period of employment with the Institute, must be  
3 currently deposited in the program's or system's fund or de-  
4 pository. Death or retirement of any such officer or employee  
5 during approved service with the Institute and prior to reem-  
6 ployment or reinstatement shall be considered a death in  
7 service or retirement from the service for the purposes of any  
8 employee or survivor benefits acquired by reason of service  
9 with a department or agency of the United States Govern-  
10 ment.

11 (d) Any employee of a department or agency of the  
12 United States Government who entered into service with the  
13 Institute on approved leave of absence without pay prior to  
14 the enactment of this Act shall receive the benefits of this  
15 title for the period of such service.

16 SEC. 205. The Institute shall be treated as a tax  
17 exempt organization described in section 501(c)(3) of the In-  
18 ternal Revenue Code of 1954, and shall not be an agency or  
19 instrumentality of the United States. Employees of the Insti-  
20 tute shall not be employees of the United States and, in rep-  
21 resenting the Institute, shall be exempt from section 207 of  
22 title 18, United States Code. The salaries and allowances  
23 paid to employees of the Institute shall be treated in the  
24 same way for tax purposes, under sections 911, 912, and 913  
25 of the Internal Revenue Code of 1954, as salaries and equiv-

1 alent allowances paid by departments and agencies of the  
2 United States Government.

3 TITLE III

4 SEC. 301. In addition to funds otherwise available for  
5 the purposes of this Act, there are authorized to be appropri-  
6 ated to the Secretary of State from time to time such funds  
7 as may be necessary to carry out such purposes. Such funds  
8 are authorized to remain available until expended.

9 SEC. 302. The Secretary of State is authorized to use  
10 funds made available to carry out this Act to further the  
11 maintenance of commercial, cultural, and other relations with  
12 the people on Taiwan on an unofficial basis. The Secretary  
13 may provide such funds to the Institute for expenses directly  
14 related to the purposes of this Act, including—

15 (1) payment of salaries and benefits to Institute  
16 employees;

17 (2) acquisition and maintenance of buildings and  
18 facilities necessary to the conduct of Institute business;

19 (3) maintenance of adequate security for Institute  
20 employees and facilities; and

21 (4) such other expenses as may be necessary for  
22 the effective functioning of the Institute.

23 SEC. 303. Any department or agency of the United  
24 States Government making funds available to the Institute in  
25 accordance with this Act shall make arrangements with the

1 Institute for the Comptroller General of the United States to  
2 have access to the books and records of the Institute and the  
3 opportunity to audit the operations of the Institute.

4 SEC. 304. The programs, transactions, and other rela-  
5 tions carried out by the President or any department or  
6 agency of the United States Government with respect to the  
7 people on Taiwan since January 1, 1979, are approved and  
8 confirmed.

9 SEC. 305. The President is authorized to prescribe such  
10 rules and regulations as he may deem appropriate to carry  
11 out the purposes of this Act.

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